

ZIONS BANK®

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AUG 16 2005

DIV OF OIL GAS & MINING

August 10, 2005

State of Utah Dept. of Natural Resources
Division of Oil, Gas and Mining
1594 W. North Temple - Suite 1210
P.O. Box 145801
Salt Lake City, UT 84114-5801

ATTN: Beth Ericksen

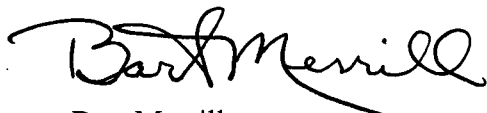
Dear Beth,

This letter acknowledges the receipt of a Reclamation Surety by Zions Bank from the Division of Oil, Gas and Mining (DGMA). Zions Bank agrees to the terms of the instructions and will place an administrative hold on the account and the amount outlined below until such time that a redemption or release authorization is provided by DGMA in accordance with the instructions.

Mine Site:	Quartz Hill S/021/036
Account Name:	Kerry Holt Hay Cubes, Inc.
Account Number:	
Principal Amount:	\$17,000.00
Date:	August 11, 2005

If you have any questions, please don't hesitate to contact me at 435-878-2260. Thank you.

Sincerely,



Bart Merrill
Vice President